



PSC NEWS

Missouri Public Service Commission

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PSC COLD WEATHER RULE TAKES EFFECT NOVEMBER 1

Jefferson City (October 29, 2004)---The Missouri Public Service Commission's Cold Weather Rule, designed to help customers with heat-related utility bills, begins on November 1, 2004. The rule will remain in effect through March 31, 2005.

The Cold Weather Rule has been a part of the Commission's rules and regulations since 1977. Since its inception, the rule has helped approximately 2 million customers maintain heat-related service during the winter.

Recently, the Commission adopted several changes to the Cold Weather Rule. Those changes include:

- additional protections against disconnection of service for registered elderly and disabled customers meeting certain income guidelines;
- a temperature moratorium change; and
- more favorable payment terms for service reconnection for customers who have broken a past Cold Weather Rule payment agreement.

The Cold Weather Rule:

- prohibits disconnection of heat-related service when the temperature is predicted to drop below **32** degrees;
- allows customers to budget payments over 12 months;
- allows customers to extend payment of pre-existing arrears beyond 12 months;
- does not require a deposit if payment agreement is kept;
- requires that customers be notified by mail, with one notification attempt in person, before service is shut off;
- allows a customer to register with the utility if:
 - A) 65 years of age or older;
 - B) disabled to the extent that the customer has filed with the utility a medical form submitted by a medical physician attesting that the household must have natural gas or electric utility service provided in the home to maintain life or health; or
 - C) the customer has obtained a formal award letter issued from the federal government of disability benefits.
- prohibits the disconnection of registered elderly and disabled customers who meet certain income guidelines who make a minimum payment;
- requires that the customer be notified of possible financial help in paying the utility bill; and
- allows the reconnection of service for less than the full amount owed.

(more)

If a customer is faced with a heat-related utility bill that can not be paid in full, it is important that the customer:

- 1) Contact the utility company
- 2) State an inability to pay the bill in full
- 3) Provide income information either by month or annual income
- 4) Make a minimum payment
- 5) Enter into a payment agreement

Temperature moratorium: Under the Cold Weather Rule, a utility company is prohibited from disconnecting heat-related service to a customer if the temperature is predicted to fall below 32 degrees during the following 24 hour period.

Prohibit disconnection of registered elderly and disabled customers who meet certain income guidelines who make a minimum payment: If the registered customer is under a Cold Weather Rule payment arrangement, that customer would not have service disconnected if he/she continues to pay at least 50% of: the actual bill for usage during that billing period **OR** his/her level bill amount under a Cold Weather Rule payment plan. Unpaid amounts during those winter months may be recovered by adjusting the Cold Weather Rule payment amounts after March 31st.

More favorable payment terms for service reconnection for customers who have broken a past Cold Weather Rule payment agreement: Under the previous Cold Weather Rule, utility companies could require full payment of all amounts before reconnecting service. Under the revisions approved by the Commission in August of this year, that customer could be reconnected by paying 80% of the balance owed.

Payment change: Customers seeking a Cold Weather Rule payment plan who have not defaulted on a previous payment plan will be required to pay 12% of the total 12 month budget bill amount. While this will increase the initial payment amount from the previous Cold Weather Rule, it will also reduce subsequent payments somewhat.

The Cold Weather Rule relates to any residential gas or electric service that is necessary for the proper function and operation of heating equipment. Electric or natural gas service provided by municipalities, electric cooperatives and propane delivered by truck are not covered by this rule.

The Missouri Public Service Commission has a brochure regarding the Cold Weather Rule. Customers seeking a copy may contact the Commission's Consumer Services Department at 1-800-392-4211.